



# **ASC/PK NET Budget Topics**

**Presented by:  
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ASC/FMA**

**Charts current as of  
Oct 07**

# Overview

1. Appropriated Funds
2. Funding Concepts
  - a. Incremental Funding Vs. Full Funding
  - b. Program Management Administration
  - c. Severable Service Contracts
3. Funding Documents
4. Fund Cites and Zero Fill Guidance
5. New Starts Policy

# 1. Appropriated Funds



# **Types of DOD Appropriations**

Funds for Air Force operations are made available by Congress through a variety of appropriations:

## I. Investment Appropriations:

1. Research, Development, Test, and Evaluation (RDT&E) (3600)
2. Aircraft Procurement (3010)
3. Missile Procurement (3020)
4. Other Procurement (3080)
5. Military Construction (MILCON) (3300)

## II. Operation and Maintenance Appropriations

1. Operation and Maintenance Appropriations (O&M) (3400)
2. Military Personnel (MILPERS) (3500)

# Uses of DOD Appropriations

## **3600 (RDT&E)**

### **Development of:**

Weapon systems, equipment, material,  
Application software  
Developmental engineering

### **Test:**

Developmental Test & Evaluation  
(DT&E)  
Initial Operational Test & Evaluation  
(IOT&E)

Mission support (PMA)

## **3080 (Other Procurement)**

Investment equipment  $\geq$  \$250,000  
Installation costs of investment equipment  
Mission support (PMA) for System Acquisition programs

## **3010 (Aircraft Procurement)**

### **Procurement of:**

Aircraft Weapon Systems  
MODs  
Spares and Repair Parts  
Training devices  
Common Support Equipment  
Mission support (PMA)

## **3400 (O & M)**

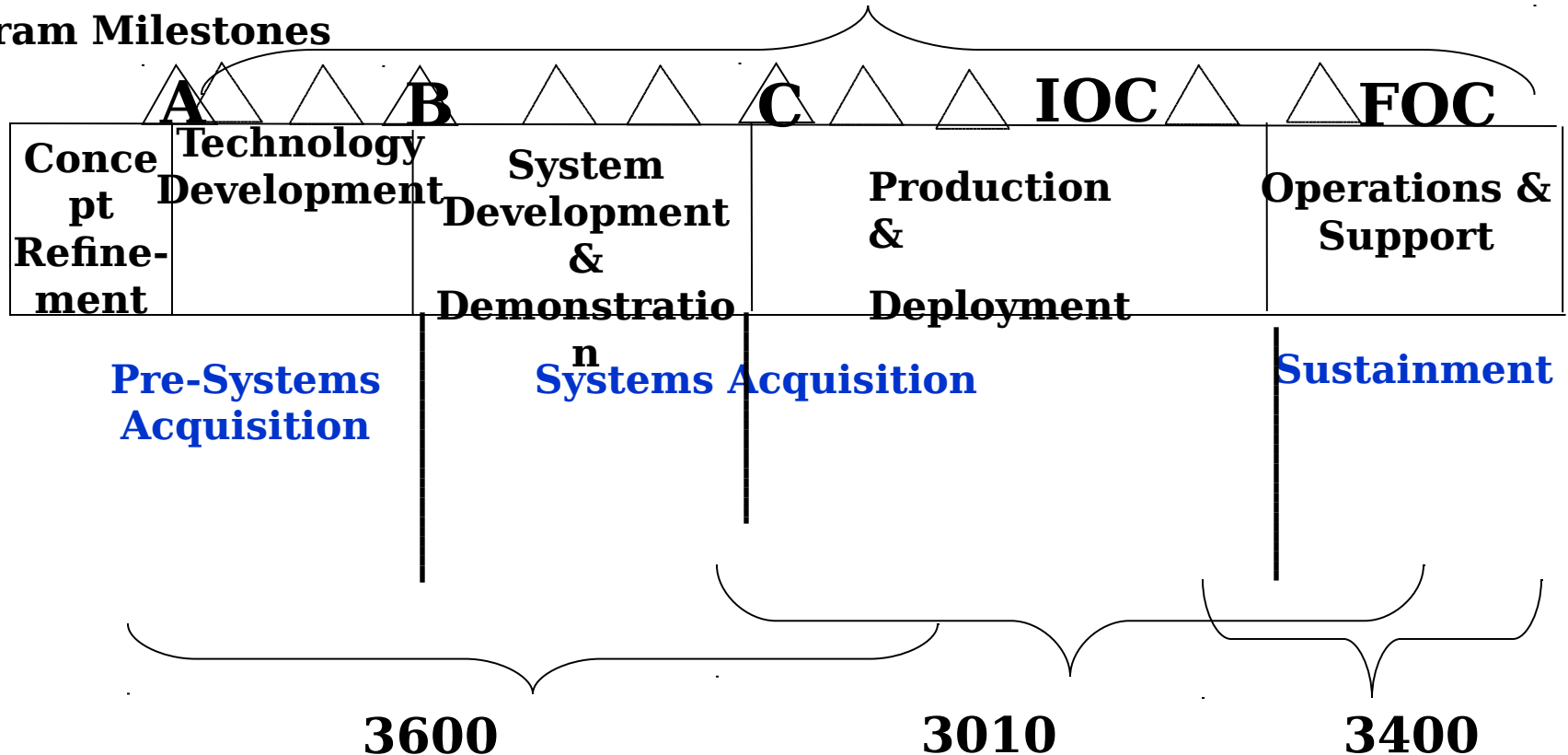
Civilian Payroll  
Travel  
Education and training  
Base Operations Support (BOS)  
Expenses of operational military forces  
Maintenance (Facilities and Software)  
Minor construction  $\leq$  \$750,000 else use MIL  
Investment equipment  $<$  \$250,000  
Mission support (PMA)

# Weapon System Life Cycle

Program Milestones

Phases:

Activities:



# More on Investment Funds . .

•  
(3600,3010,3020,3080,3300)

- Investments are the costs that *result* in the acquisition of, or an addition to, end items.
  - These costs benefit future periods and generally are of a long-term nature
- RDT&E is considered an “Expenditure” Appropriation
  - Based on procuring a “Period of Performance”
- All other investment funds are “Procurement” Appropriations for a specific end-item
- Funds are released by Treasury, to OSD, to Air Force by appropriation and sub-divided by Program Element Code (PEC)
  - Air Force further sub-divides appropriations by a six digit Budget Program Activity Code (BPAC)

# **Aircraft Procurement**

## **Appropriation 3010**

(Investment Appropriation)

Aircraft Procurement Appropriation Budget Programs (BPs)  
include:

10 0000 Aircraft Weapon System

11 0000 Modifications

12 0000 Aeronautical Ground Support Equipment

13 0000 Post Production Charges

14 0000 Aircraft Industrial Responsiveness

15 0000 Aircraft Replenishment Spares and Repair Parts

16 0000 Aircraft Initial Spares and Repair Parts

17 0000 War Consumables

18 0000 Procurement Other Than Air Force

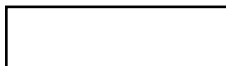
19 0000 Miscellaneous Production Charges

# More on . . . Operations and Maintenance (O&M)

- One Year Appropriation
  - Must be fully obligated by 30 Sep
  - Funds are released on quarterly basis
- Two categories distinguish use of funds:
  - Civilian Pay
  - Day-to-day operating expenses (“non-pay”)
- Congress Appropriates by Budget Activity Code (BAC) Level
  - Total of 4 BACs 01= Operating Forces  
03=Training/Recruiting  
02= Mobilization 04=Force Management/  
Service Wide Activities
  - Limited reprogramming within BAC

# Availability of Appropriations During FY 08

	98	99	00	01	02	03	04	05	06	07	08
<b>1 Year</b> <b>3400</b>						✓					X
<b>2 Year</b> <b>3600</b>					✓					X	
<b>3 Year</b> <b>3010, 3011</b> <b>3020, 3080</b>				✓					X		
<b>5 Year</b> <b>3300</b>		✓					X				



**Active:** Available for new obligations



**Expired:** Available to adjust obligations already incurred



**Canceled:** Accounts canceled. Obligations or adjustments otherwise be chargeable to these years must be charged

✓ = Canceling Year    X = Expiring Year

# Life Cycle of FY 08 Appropriations

	08	09	10	11	12	13	14	15	16	17	18
1 Year 3400	X					✓					
2 Year 3600		X					✓				
3 Year 3010, 3011 3020, 3080			X					✓			
5 Year 3300					X					✓	

**Active:** Available for new obligations  
**Expired:** Available to adjust obligations already incurred  
**Canceled:** Accounts canceled. Obligations or adjustments otherwise be chargeable to these years must be charged to these years  
 ✓ = Canceling Year    X = Expiring Year

## 2. Funding Concepts:

a. Incremental Funding  
versus  
Full Funding



# Incremental Funding Concept

- Apply incremental funding to Research, Development, Test and Evaluation (RDT&E, 3600 appn) efforts:

- Funding requirement to finance contract effort for a specific fiscal year

- Period of performance = effort planned in the first fiscal year of the appropriation

- Budgets are based on annual requirements which are appropriated on a single year basis

- Plan for obligation in first year but may have to

# **Full Funding Concept**

Applies only to Procurement Appropriations  
(3010, 3020, 3080)

## **Policy:**

Each year's appropriation request must contain funds required to cover the total cost incurred in completing delivery of a given quantity of usable end items, such as aircraft, ammunition, missiles and all other items of equipment.

# **Exceptions to Full Funding**

- Advance Procurement
  - Long lead items
- Advance Economical Order Quantity (EOQ)
  - Normally associated with Multi-year procurements

## 2. Funding Concepts:

b. Program  
Management  
Administration  
(PMA)



# **PMA Defined:**

**(AFI 65-601 Vol 1 Chpt 8, para 8.50 & AFMCI 65-605)**

**PMA is:** The cost of mission essential program/functional office operations in direct support of the program/functional office

1. Budgeted on an annual basis and reflected in the fiscal year during which the requirement is projected to execute
2. PMA costs will be charged to the appropriation funding the task, or portion thereof, being supported.
  - PMA charges will be funded based on the nature of work it is supporting
  - Prorating PMA between available appropriations will be minimized
  - When not clearly severable, default to RDT&E or O&M

# **Use of Appropriated Funds**

## **Program Management Administration (PMA)**

**PMA:** the cost of mission essential program office operations in direct support of the program

(1) Allowable PMA(aka Mission Support) costs include:

SPO Travel, contract services in support of program office operations (including Advisory & Assistance Services (A&AS) contracts), computer support, unique communication expenses, printing, supplies, and initial program specific training

Cannot pay for building repairs, snow removal, flight jackets, BDUs unless your program mission requires it!

# Program Management

## Administration (PMA)

PMA costs will be charged to the appropriation funding the task, or portion thereof, being supported. (PMA charges will be funded based on the nature of work it is supporting)

PMA funds is budgeted and executed normally in the **first** year of availability

**NOTE:** Obligation of RECURRING Program Management Administration (PMA) related items in the second year of the appropriation. (e.g. Travel, supplies, A&AS) is not authorized—a recent policy change allows emergent (unplanned) PMA requirement to use prior year funds

PMA costs **do not** include:

- Civilian pay or overtime pay,
- Standard base or installation operating support,
- Costs associated with HQ level support

AFMCI 65-605 Program Management Administration Guidance

## 2. Funding Concepts:

### c. Severable Service Contracts

(Public Law 105-85)



# Non-Severable Service Contracts

## **Definition:**

The task performance period may extend into the next FY and is a single undertaking. It includes a task whose individual pieces of work are not of value to the government in and of themselves. The only thing of value is the item delivered as a result of the completed task. Work is funded in its entirety using funds from the FY in which the work was started.

A service is *nonseverable* if the service produces a single task or product that cannot be subdivided for separate performance in different fiscal years. *Proper Appropriation to Charge Expenses Relating to Nonseverable Training Course*, B-238940, 70 Comp. Gen.296 (1991); *To H. B. Herms, Department of Agriculture*, B-37929, 23 Comp. Gen. 370 (1943). In such cases, the agency must fund the entire effort with current funds at the time the contract is executed and contract performance may cross fiscal years

Cost overruns must be evaluated on in-contract scope and

# Severable Service Contracts

## **Definition:**

Includes a task whose individual pieces of work are completed in a relatively short time and where each piece of work is of value to the government in and of itself.

- A service is severable if it can be separated into components that independently meet a separate need of the government. As a general rule, severable services are a bona fide need of the fiscal year in which the services are performed. *Incremental Funding of Multiyear Contracts*, B-241415, 71 Comp. Gen. 428 (1992). Generally, severable contracts may not cross fiscal years and an agency must fund them with funds available for the year in which the services are performed. However, a statutory exception now permits DoD agencies (and the Coast Guard) to use funds current at the time of award to finance any severable service contract for a period of performance that does not exceed one year.

10 U.S.C. 2410a.

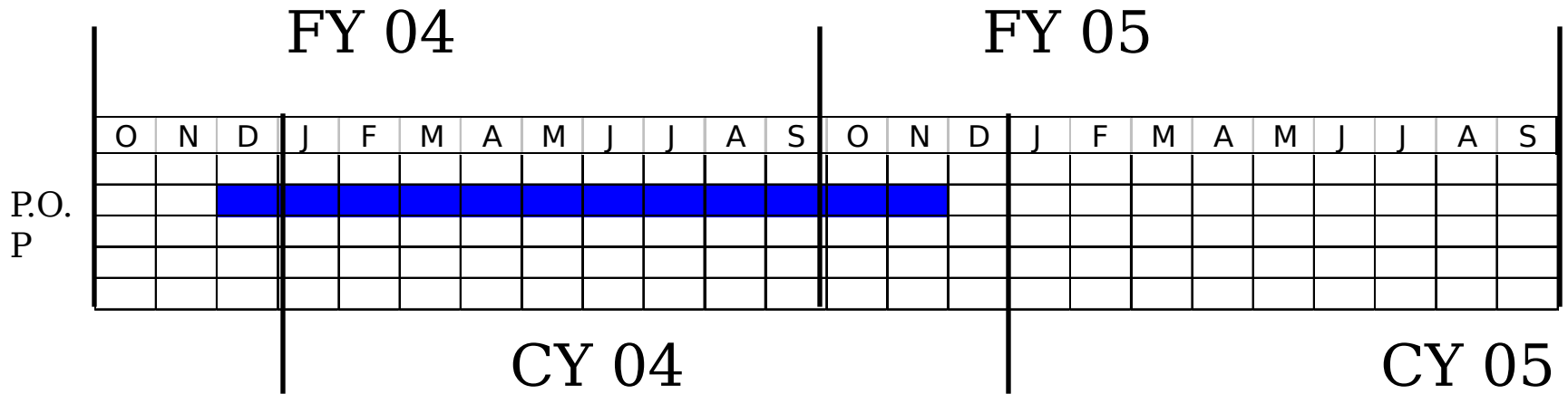
# **Severable Service Contracts**

## **Public Law 105-85**

- Authority to enter into severable service contracts expanded
- Severable Service contracts for periods crossing fiscal years
  - DOD may enter into severable service contracts which begin in one year and end in another
  - Period of performance must begin in FY in which contract is awarded
  - Contract period cannot exceed 12 months for each contract

# Appropriate Application

12 month Severable Service Contract \*



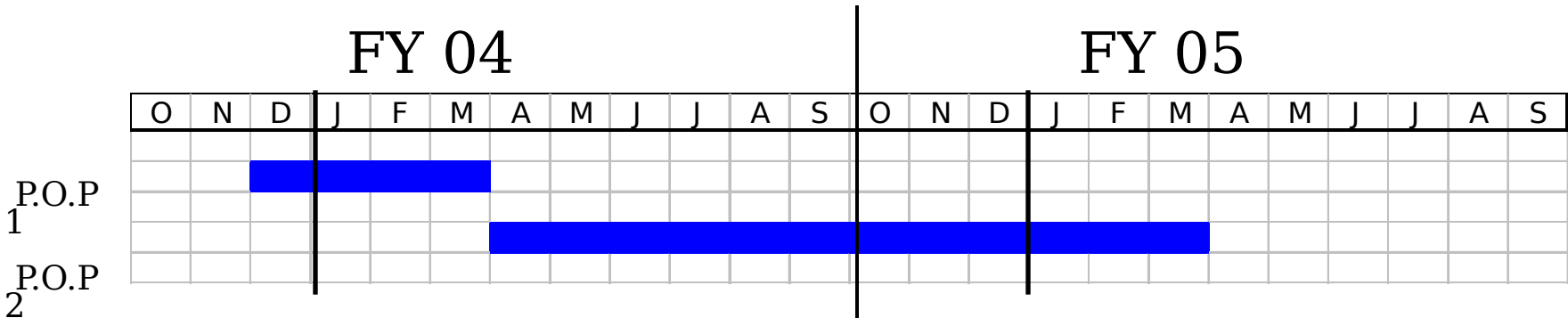
\* Contract funded with FY04 Funds

# Public Law 105-85

## Application Examples

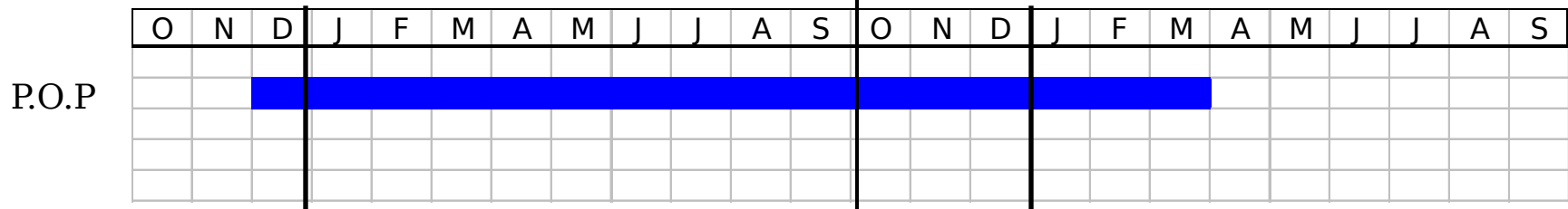
### Correct

P.O.P 1 is 4 month Severable Service Contract \*  
P.O.P 2 is 12 month Severable Service Contract  
Requires TWO SEPARATE contracting actions



### Incorrect

P.O.P is 16 month Severable Service Contract \*



\* Contract funded with FY04 Funds

### 3. Funding Documents



# **Funding Documents**

What is a Funding Document?

- Administratively reserves (commit) the funds for a specific obligation based on firm requirements
- Certified by the Financial Services office (FSO) for availability of funds after having the propriety of funds certified within the System Program Office (SPO) or Staff Office
- FSO records commitment

# **Stages of Accountability**

## **Commitments:**

- Administrative reservations of funds
- Certify fund availability for future obligations

## **Obligations:**

- Liabilities for goods or services not yet received
- Record orders placed, contracts awarded based on proper documentary evidence

## **Expenditures:**

- Liabilities for goods or services received but not yet paid for
- Record physical or constructive receipt of goods, services performed, and amounts owed without current performance requirements
- Record of payments made for goods or services received

# **Determining Appropriate Fiscal Year Funds:**

**RDT&E:** Services contracts depend on if services efforts) are “non-severable” or “severable”

- If a service contract is “non-severable”, the total cost is charged to the FY in which the contract is made even though services are performed during a subsequent FY as well
- If services are “severable,” they are charged to the appropriation available when they are rendered

**Procurement:** Determined by the change being within-scope or out-of scope of the original contract

- Within-scope: charged to the appropriation and FY used to fund the related effort
- Out-of-scope: changes are obligated against currently available funds

**Rules of Thumb:**

- The appropriation current at the time the contract was originally executed is charged for a requirement enforceable under the original contract
- If the effort is essentially the same work as the parties originally contracted for, such modification should be funded with the same funds as were used for the original contract

# **Acceptable evidence of the existence of a commitment must:**

- (1) Be in writing. (Project Orders, MIPRs, PRs, 616s etc.)
- (2) Contain a certification by a fund certifying official that sufficient funds are available to cover the obligation which will follow. (standard certification statement is included on document) Must be signed by government employee; not A&AS folks
- (3) Authorize the incurring of an obligation without further approval by, or recourse to, the fund certifying official as long as the requirement or estimated cost does not change
- (4) Be released by the fund certifying official to the person authorized to incur obligations.

# **Acceptable evidence of the existence of an obligation must:**

- (1) Be a binding agreement (offer and acceptance)
- (2) Be in writing (Signed as Accepted Project  
Orders, MIPRs, Contracts, etc.)
- (3) Be for a purpose authorized by law
- (4) Be executed before the period of availability expires
- (5) Be for specific goods or services

**An Obligation exists at the time a contract is  
awarded, regardless of when it is recorded by  
DFAS**

# Funding Documents

Initiated by  
SPOs/Buying Offices:

## Commitment Documents

PR (AF FORM 9/36)  
MIPR  
Project Order  
MORD  
AF Form 616  
Travel Orders

FSO

Records

## Obligation Documents

Contract  
MIPR (CAT 1  
Reimb)  
Project Order  
MORD  
Travel Orders

DFAS Records

## Expenditure Documents

SF1080  
DD250  
Contractor Invoice

DFAS

Records

\*Red Highlights denote PK Involvement

# Funding Document Checklist

## Financial Managers Need Your Help!

- Clearly state what is being procured and state purchase is “IAW with. . .” ECP XXX, SOW, Requirement definition, etc.
  - Include contract number if funding follow-on effort
  - Be sure to have a copy of the requirements document available for funds certifier review prior to certification for effort confirmation
- Include dollar amount per unit and total dollar value for deliverable end items
- Include National Stock Numbers (NSN) where appropriate
- State whether item is “Fully Funded” or “Incrementally Funded”
- State delivery dates of items to be delivered or reference contract modification section delivery schedule and location
- For “Incrementally Funded” or services/severable include statement of “Period of Performance”–Not to exceed 12 months as well as total dollar amount
- Include receiving activity POC Name, Office Symbol, and phone number
- For 88<sup>th</sup> ABW, MIPRs must be routed through PKW for pre-approval
- For all MIPRs going outside DoD, see [Wing PK](#) office for Economy Act Consideration
- For all MIPRs contracting for A&AS services See PM and [Wing PK](#) for Determination/Decision Memorandum to accompany MIPR
  - **TIME, PURPOSE, AND AMOUNT MUST BE ADDRESSED IN DOCUMENT!**

## 4. Fund Cite Structure & Zero-Fill Guidance for use with ConWrite System. . .



# **Objectives**

- Overview of Fund Cite elements
- Fund Types
- Zero-fill guidance

# What is a Fund Cite?

- Accounting classification – required on every document involving an appropriated fund transaction
- Group of predefined codes
- Identifies things such as Branch of Service, appropriation, FY, Command, EEIC
- Every fund cite **must** contain the Department, FY, and appropriation symbol
  - use of other fields will vary by Service/Agency

# **Fund Cite Structure (For RDT&E Appn Fund Type C)**

5713600 291 4720 681307 020100 00000 61102F 50300

**Department**\_\_57

**Fiscal Year**\_\_\_\_1

**Appropriation Symbol**\_\_3600

**Fund Code**\_\_\_\_\_29

**Fiscal Year** \_\_\_\_\_1

**Operating Agency Code** \_\_\_\_\_47

**Allotment Serial Number** \_\_\_\_\_20

**Budget Program (First 2 digits of BPAC)**\_\_68

**Project Number (3<sup>rd</sup> thru 6<sup>th</sup> digits of BPAC)**\_\_1307

**Material Program Code (MPC)**\_\_\_\_\_020100

**Elements of Expense/Investment Code (EEIC)**\_\_\_\_\_000000

**Program Element Code (PEC)**\_\_\_\_\_61102F

**Accounting and Disbursing Station Number (ADSN)**\_\_\_\_\_

**Department of Defense Activity Address Directory Code (DODAAD)**\_\_\_\_\_

**Department:** Department of the Treasury Government agency  
identifier code **Fund Cite Elements**

- Air Force = 57; DoD = 97

**Fiscal Year (FY):** Appropriation year

- FY 2001 = 1

**Appropriation Symbol:** Fund authorized by Congress for a designated purpose

- O&M = 3400; Aircraft Procurement = 3010; RDT&E = 3600

**Fund Code:** Numerical code identifying the appropriation type

- O&M = 30; RDT&E = 29; Aircraft Procurement = 11

**Fiscal Year:** Appropriation year

- FY 2001 = 1

**Operating Agency Code (OAC):** A major organizational unit or command

- AFMC PEO Programs = 36; AFMC Non-PEO Programs = 47

**Allotment Serial Number (ASN):** Number Assigned by OAC given financial management

responsibility I.e. ASC = 20 as assigned by AFMC, the Operating Agency.

**OAC and ASN together: Operating Budget Account Number**

# Fund Cite Elements

**Budget Program Activity Code (BPAC):** Identifies major budget program

- Used with Procurement and RDT&E fund cites only
- Aircraft Weapon System Modification = 11 XXXX

**Responsibility Center/Cost Center Code (RC/CC):** Identifies a specific o

- Not used with Investment appropriations unless funding is for PM  
MPC is used instead
- ASC Comptroller Staff = 101500

**Material Program Code (MPC):** 4 position code used along with the BPA  
major elements of weapons systems

- Used for investment appropriations

**Element of Expense/Investment Code (EEIC):** Identifies nature of servi

- Used for O&M and PMA funded services and items
- TDY expense = 409; Education and Training = 553

# Fund Cite Elements

**Budget Activity (BA):** Categories that identify the purpose, or type of activities

- Used only with Operations and Maintenance (O&M) funds  
BA 01: Operating Forces      BA 02: Mobilization  
BA 03: Training/Recruiting    BA 04: Administration/Service-wide

Activities

**Program Element (PE):** Code that represents a specific military capability or support activity

- F-15 = 27130F; F-16 = 27133F

**Accounting and Disbursing Station Number (ADSN):**

Accounting and finance office responsible for funds

- Wright-Patterson AFB = 503000

**DOD Activity Address Directory Code (DODAAD):** Address where material, or billing is sent

- Wright-Patterson AFB = F03000

**Emergency and Special Program (ESP):** Identifies costs in an emergency or in support of a special project

- A-76 Projects = AT; Damage caused by Hurricane Georges (FY98) = GW

# Fund Cite Structure

## 3600 and 3010 Appropriations

- Determined by Fund Type
- Fund Type C: Acquisition of program weapon system/m  
- Will contain an MPC  
- No EEIC
- Fund Type A: Acquisition of program management adm  
items in **direct support** of the mission  
- Will contain an EEIC  
- No MPC  
- May contain an RC/CC

# **Zero-Fill Guidance**

AFMC Policy Memo

14 Jun 99

Applies to:

- All documents processed by a DFAS Center serviced by DFAS-Denver (Includes the DFAS-Dayton)
- All documents where payments are made by DFAS-CO in MOCAS

Purpose: Standardize/improve flow of data between  
Accounting  
Systems

# Zero-Fill Guidance

## Examples

In the following examples:

- X: Field must be populated with a valid value
- 0: Field must be populated with a 0

# Procurement Appropriations

## Fund Type “C”

### Elements:

FC&FY

11x

OAC/ASN

xxxx

BPAC

xxxxxxx

MPC

0xxxx0

EEIC

00000

# **Fund Cite Structure (For Procurement Appn;**

## **Fund Type C)**

5713010 111 ~~4720 119992 020100~~ 00000 000000 50300

**Department**\_\_57

**Fiscal Year**\_\_\_\_1

**Appropriation Symbol**\_\_3010

**Fund Code**\_\_\_\_\_11

**Fiscal Year**\_\_\_\_\_1

**Operating Agency Code** \_\_\_\_\_47

**Allotment Serial Number** \_\_\_\_\_20

**Budget Program (First 2 digits of BPAC)**\_\_11

**Project Number (3<sup>rd</sup> thru 6<sup>th</sup> digits of BPAC)**\_\_9992

**Material Program Code (MPC)**\_\_\_\_\_020100

**Elements of Expense/Investment Code (EEIC)**\_\_\_\_\_00000

**Program Element Code (PEC)**\_\_\_\_\_000000

**Accounting and Disbursing Station Number (ADSN)**\_\_\_\_\_

**Department of Defense Activity Address Directory Code (DODAAC)**\_\_

# Procurement Appropriations

## Fund Type “A”

### Elements:

FC&FY

11x

OAC/ASN

xxxx

BPAC

xxxxxxx

RC/CC

xxxxxxx

or xxx00

EEIC

xxxxxx

# **Fund Cite Structure (For Procurement Appn;**

## **Fund Type A)**

5713010 111 47E8 15119Y 231100 40900 000000 50300

**Department**\_\_57

**Fiscal Year**\_\_\_\_1

**Appropriation Symbol**\_\_3010

**Fund Code**\_\_\_\_\_11

**Fiscal Year** \_\_\_\_\_1

**Operating Agency Code** \_\_\_\_\_47

**Allotment Serial Number** \_\_\_\_\_E8

**Budget Program (First 2 digits of BPAC)**\_\_15

**Project Number (3<sup>rd</sup> thru 6<sup>th</sup> digits of BPAC)**\_\_119Y

**Resource Center/Cost Center (RC/CC)**\_\_\_\_\_231100

**Elements of Expense/Investment Code (EEIC)**\_\_\_\_\_40900

**Program Element Code (PEC)**\_\_\_\_\_000000

**Accounting and Disbursing Station Number (ADSN)**\_\_\_\_\_5

**Department of Defense Activity Address Directory Code (DODDAC)**\_\_\_\_\_5

# **RDT&E Appropriations**

## Fund Type “C”

### **Elements**

**FC&FY**  
29x

**OAC/ASN**  
xxxx

**BPAC**  
xxxxxxx

**MPC**  
0xxxxx0

**EEIC**  
00000

# **Fund Cite Structure (For RDT&E Appn;**

## **Fund Type C)**

5713600 291 3620 672671 03010 00000 27133F 503000

**Department**\_\_57

**Fiscal Year**\_\_\_\_1

**Appropriation Symbol**\_\_3600

**Fund Code**\_\_\_\_\_29

**Fiscal Year**\_\_\_\_\_1

**Operating Agency Code** \_\_\_\_\_36

**Allotment Serial Number** \_\_\_\_\_20

**Budget Program (First 2 digits of BPAC)**\_\_67

**Project Number (3<sup>rd</sup> thru 6<sup>th</sup> digits of BPAC)**\_\_2671

**Material Program Code (MPC)**\_\_\_\_\_030100

**Elements of Expense/Investment Code (EEIC)**\_\_\_\_\_00000

**Program Element Code (PEC)**\_\_\_\_\_27133F

**Accounting and Disbursing Station Number (ADSN)**\_\_\_\_\_5

**Department of Defense Activity Address Directory Code (DODAAC)**\_\_\_\_\_

# **RDT&E Appropriations**

## Fund Type “A”

### **Elements:**

**FC&FY**

29x

**OAC/ASN**

xxxx

**BPAC**

xxxxxxx

**RC/CC**

xxxxxxx

**EEIC**

xxxxxx

or xxx00

# **Fund Cite Structure (For RDT&E Appn; Fund Type A)**

5713600 291 4712 6606TS 101530 59212 65807F 503000

**Department**\_\_57

**Fiscal Year**\_\_\_\_1

**Appropriation Symbol**\_\_3600

**Fund Code**\_\_\_\_\_29

**Fiscal Year**\_\_\_\_\_1

**Operating Agency Code**\_\_\_\_\_47

**Allotment Serial Number**\_\_\_\_\_12

**Budget Program (First 2 digits of BPAC)**\_\_66

**Project Number (3<sup>rd</sup> thru 6<sup>th</sup> digits of BPAC)**\_\_06TS

**Resource Center/Cost Center (RC/CC)**\_\_\_\_\_101530

**Elements of Expense/Investment Code (EEIC)**\_\_\_\_\_59212

**Program Element Code (PEC)**\_\_\_\_\_65807F

**Accounting and Disbursing Station Number (ADSN)**\_\_\_\_\_5

**Department of Defense Activity Address Directory Code (DODDAC)**\_\_\_\_\_5

# Operations and Maintenance

## Appropriations

### Fund Type “L”

#### Elements:

FC&FY

30x

OAC/ASN

xxxx

RC/CC

xxxxxxx

BAC

xxxxxxx

or xxx00

EEIC

xxxxxx

# **Fund Cite Structure (For O&M Appn; Fund Type L)**

5713400 301 4720 110704 040000 58215 72806F 50300

**Department\_\_**57

**Fiscal Year\_\_\_\_**1

**Appropriation Symbol\_\_**3400

**Fund Code\_\_\_\_\_**30

**Fiscal Year \_\_\_\_\_**1

**Operating Agency Code \_\_\_\_\_**47

**Allotment Serial Number \_\_\_\_\_**20

**Responsibility Center/Cost Center (RC/CC)\_\_\_\_**110704

**Budget Activity Code (BAC)\_\_\_\_\_**040000

**Elements of Expense/Investment Code (EEIC)\_\_\_\_\_**58215

**Program Element Code (PEC)\_\_\_\_\_**72806F

**Accounting and Disbursing Station Number (ADSN)\_\_\_\_\_**5

**Department of Defense Activity Address Directory Code (DODDAC)\_\_\_\_\_**

# **Zero-fill Guidance**

## **Web Sites**

### **1. Zero-fill Guidance**

<https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/FM/fmp/fmpa/index.htm>

### **2. AFMC Financial Management Reference System**

<https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/FM/FMRS/docs/dtoc34.htm>

# **Section 5:**

## **New Start Policy**



# New Start Definitions

A *New Start* as referenced in AFI 65-601 Vol 1, Chapter 2 is the initiation of an effort not justified to and approved by Congress during the appropriations process for the fiscal year involved

Includes new programs and programs where a change in content or acceleration into an earlier fiscal year is proposed

If it looks like a new start – it most likely is a new start

A *New Start* in relation to continuing resolution authority means a program did not have funds in the previous fiscal year and means the program cannot start spending dollars until the Appropriation Bill is signed

# **Why New Starts are an Issue**

- Very high Congressional interest
  - Requirement for New Start notification highlighted in the 1993 Appropriations Bill
  - New Start emphasis given in 102nd, 105th and 106th Congress (FY95, FY99, and FY00 Appropriation Bills)
  - Congress criticized Air Force and the other services for non-compliance with New Start notification
  - Congressional committees expect notification when DOD intends to initiate any new modification (except safety modifications)
- FY 1999 and FY 2000 Appropriation Acts prohibit funding civilian salaries for violation of notification procedures
- Designed to limit new starts which may lead to large expenditures in the future

# How do I determine if I've got a New

## Start?

- Reference President's Budget documents for the impacted FY funding:
  - Procurement exhibits (P-series documents or P-exhibits)
    - Shows P-1 line item listing of all procurement requirements (sum total of all Budget Programs (BP) 10, 11, etc.)
    - Refer to P-40 narrative as well as P3As
  - RDT&E documents (R-docs)
    - Shows R-1(PE title and number) RDT&E line item
    - Provides summarized financial and justification information in support of the RDT&E (3600) appropriation
- Determine whether desired activity was included in documentation thereby validating Congressional Notification
  - If content is included, most likely not a New Start
  - If content not included, most likely is a New Start

# President's Budget Procurement Document (BP10) Sample

## What Does Congress See?

UNCLASSIFIED

Exhibit P-40, Budget Item Justification						Date: February 2004					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 07						C-130J					
Program Element for Code B Items:		N/A			Other Related Program Elements:						
	ID Code	Prior Years	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	To Comp	Total
Proc Qty	A	5		4	11	9	9	9	12	76	135
Cost (\$ M)		454.517	247.657	293.662	769.171	725.516	676.307	852.426	1177.066	TBD	TBD
Advance Proc Cost (\$ M)		0.000	69.900	150.000	150.000	90.000	90.000			TBD	TBD
Weapon System Cost (\$ M)		454.517	317.557	443.662	919.171	815.516	766.307	852.426	1177.066	TBD	TBD
Initial Spares (\$ M)		70.169	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	70.169
Total Proc Cost (\$ M)		524.686	317.557	443.662	919.171	815.516	766.307	852.426	1177.066	TBD	TBD
Flyaway Unit Cost (\$ M)		58.100	67.868	67.868	67.895	67.921	67.948	67.976	74.053	TBD	TBD
Wpn Sys Unit Cost (\$ M)		90.900	71.967	71.967	71.714	68.316	68.359	68.387	74.492	TBD	TBD
<b>Description</b>											
Note: The FY05 P-1 exhibit is in error. The FY05 Weapon System and Advance Procurement costs should be appropriated as reflected in this P-40 exhibit. The P-1 Total Procurement Cost is correct, but the split between Advance Procurement and the Weapon System cost is incorrect. The P-1 Advance Procurement line is \$36.7M too high and the Weapon System cost is \$36.7M too low.											
The C-130J is a medium-size transport aircraft capable of performing a variety of combat delivery (tactical airlift) operations across a broad range of mission environments. The C-130J-30 aircraft, with its extended (by 15 ft) fuselage, provides additional cargo carrying capacity for the USAF combat delivery mission. Special mission variants of the C-130J conduct airborne psychological operations (EC-130J) and weather reconnaissance (WC-130J).											
<b>FY 2005 Program Justification</b>											
The FY 2005 budget provides for procurement of 11 C-130J-30 aircraft, logistics support for the USAF C/EC/WC/C-130J-30 fleet, aircrew and maintenance training devices, and program management support. FY 2005 is the third year of a six year, 42 aircraft commercial multiyear procurement											
The current USAF C-130J fleet consists of 42 aircraft procured from FY94 through FY04, and includes 10 WC-130Js, 5 EC-130Js, 12 C-130Js, and 15 C-130J-30s. Only 5 aircraft (see below) are included in the prior years column above, as 17 Air Reserve Component C-130Js/J-30s were procured via the National Guard Reserve Equipment Account and are not included in the prior years column. Data for the 10 WC-130Js and 5 EC-130Js are provided in separate budget exhibits.											
The C-130J program has been authorized to provide options for aircraft procurement and for spares and support via the Reengineered Supply Support Process (RSSP). The contractor provides all spare parts as a service under this contract to achieve an 86% fleet-wide mission capable rate. In FY00 the funds across the FYDP previously identified for initial spares were transferred in total to the C-130J procurement line to fund this 'spares as a service' concept, referred to as Interim Supply Support (ISS). ISS funding is shown on Exhibit P-5.											
Aircraft	Qty	FY	Comment								
C-130J	2	94	AF swapped 2 FY93 C-130H3 with ANG for these aircraft. Aircraft now in AFRC. (Funded in the NAREA). Per USAF Beddown Plan, the both aircraft to be transferred to								
P-1 Shopping List Item No. 07						Budget Item Justification Exhibit P-40, page 1 of 15					

UNCLASSIFIED PAGE 2 - 23

**President's Budget Document Web Address:**  
<http://www.saffm.hq.af.mil/FMB/pb/2005/afpb.html>

# President's Budget Procurement Document (BP10) Sample

## What Does Congress See?

UNCLASSIFIED

Exhibit P-5, Weapon System Cost Analysis						Date: February 2004				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature				
Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 07						C-130J				
Manufacturer's Name/Plant City/State Location				Subline Item						
Lockheed Martin Aero-Marietta				C-130J (BPAC 10400C)						
Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2003			FY 2004			FY 2005		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Airframe	A	1	66.500	66.500	4	66.500	266.000	11	66.500	731.500
Avionics	A									
Armament	A									
Software	A									
Other Government Furnished Equipment (GFE)	A			1.275			6.000			22.440
Engineering Change Orders (ECO)	A									
Nonrecurring Costs	A									
Other Costs	A									
FLYAWAY COST SUBTOTAL				67.775			272.000			753.940
Airframe Peculiar Ground Support Equipment (PGSE)	A			0.327			1.080			3.718
Peculiar Training Equipment	A	5		83.092	1		15.695	3		33.812
Publications/Technical Data	A			0.901			0.653			2.997
ECOs	A									
ICS	A			7.770			7.647			8.028
ISS	A			34.222			31.901			90.384
Data	A			1.495			1.391			1.667
Post Delivery Support	A			4.993			3.385			11.751
Organic Depot Support	A									
Other	A			9.430			6.810			10.457
SUPPORT COST SUBTOTAL				142.230			68.562			162.814
EC-130J Conversion				37.652						
EOQ	A			30.000			40.000			60.000
Advanced Procurement	A			39.900			110.000			90.000
Less prorated FY03 EOQ	A						-3.000			-8.250
Less prorated FY04 EOQ	A						-4.000			-11.000
Less prorated FY05 EOQ	A									-18.333
Less prorated FY08 EOQ	A									
Less prorated FY09 EOQ	A									
P-1 Shopping List Item No. 07						Weapon System Cost Analysis Exhibit P-5, page 3 of 15				

UNCLASSIFIED PAGE 2 - 25

President's Budget Document Web Address:  
<http://www.saffm.hq.af.mil/FMB/pb/2005/afpb.html>

# President's Budget Procurement Mod (BP11) Document San

## What Does Congress See?

02/13/2004  
 FY 2005 PB  
 Modification Title and No: EMERGENCY DC POWER GENERATOR MN-8719  
 Models of Aircraft Affected: C-5A/B/C  
 UNCLASSIFIED  
 MODIFICATION OF AIRCRAFT  
 Center: WRALC Robins AFB GA  
 Exhibit P3A Congressional  
 Appropriation: Aircraft Procurement, Air Force  
 CLC: C-5 Class P  
 PE 0401119F Term MOBIL

### Description/Justification

This modification replaces the DC emergency generator and the aircraft batteries. It installs a hydraulic motor generator, generator control unit, regulated transformer rectifier unit, battery charging system, single battery, and modifies the flight engineers DC control panel. This program was a result of an engineering study to ascertain the power requirements of the C-5. Identified a DC power shortfall of 15 amps growing to potentially 25 amps under the Aircraft Modernization Program (AMP).

Aircraft Breakdown: Active 67, Reserve 32, ANG 13, Total 112

### Development Status

N/A-3600 funds. Proof of concept will be funded using 3400 and 583 funds.

### Projected Financial Plan

	PRIOR		FY-03		FY-04		FY-05		FY-06		FY-07	
	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
RDT&E (3600)												
PROCUREMENT (3010)												
INSTALL KITS			[10]	0.600	[102]	2.490						
KITS NONRECUR				0.250								
EQUIPMENT			10	0.806	102	7.090						
EQUIP NONREC												
CHANGE ORDERS						0.139						
DATA				1.350				1.000				
SIM/TRAINER			[1]	0.400	[3]	0.450	[7]	0.500				
SUPPORT-EQUIP												
INSTALLATION OF HARDWARE												
FY-03 10 KITS												
FY-04 102 KITS					[12]	1.800						
FY-05 0 KITS							[100]	7.454				
TOTAL INSTALL					12	1.800	100	7.454				
TOTAL COST (BP-1100)												
(Totals may not add due to rounding)			10	3.406	102	11.969		8.954				
INSTALLATION QTY					12		100					

# President's Budget Procurement Mod (BP11) Document San

## What Does Congress See?

Fact Sheet: C-5 MN-8719 EMERGENCY DC POWER GENERATOR  
(Continued)

UNCLASSIFIED

(Continued)

	FY-08	FY-09	TO COMP	TOTAL
	QTY	COST	QTY	COST
RDT&E (3600)				
PROCUREMENT (3010)				
INSTALL KITS			[112]	3.090
KITS NONRECUR				0.250
EQUIPMENT			112	7.896
EQUIP NONREC				
CHANGE ORDERS				0.139
DATA				2.350
SIM/TRAINER			[11]	1.350
SUPPORT-EQUIP				
INSTALLATION OF HARDWARE				
FY-03 10 KITS				
FY-04 102 KITS			[12]	1.800
FY-05 0 KITS			[100]	7.454
TOTAL INSTALL			112	9.254
TOTAL COST (BP-1100)				
(Totals may not add due to rounding)			112	24.329
INSTALLATION QTY			112	

Method of Implementation: CONTRACT FIELD TEAM

Initial Lead Time: 10 Months

Follow-On Lead Time: 7 Months

### Milestones

	FY-02	FY-03	FY-04	FY-05
Contract Date (Month/CY)	02/03	11/03	11/04	
Delivery Date (Month/CY)	12/03	06/04	06/05	

### Installation Schedule

	FY-02	FY-03	FY-04	FY-05
Quarter	1 2 3 4	1 2 3 4	1 2 3 4	1 2 3 4
Input	2	10	25	25
Output	2	10	25	25

# President's Budget RDT&E (3600) Document Sample: What Does Congress See?

UNCLASSIFIED

PE NUMBER: 0401130F  
PE TITLE: C-17 Aircraft

Exhibit R-2, RDT&E Budget Item Justification								DATE February 2004	
BUDGET ACTIVITY 07 Operational System Development				PE NUMBER AND TITLE 0401130F C-17 Aircraft					
Cost (\$ in Millions)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate	FY 2006 Estimate	FY 2007 Estimate	FY 2008 Estimate	FY 2009 Estimate	Cost to Complete	Total
Total Program Element (PE) Cost	155.805	183.913	199.692	141.141	166.101	119.989	154.049	0.000	7,139.869
2569 C-17 Aircraft	155.805	183.913	199.692	141.141	166.101	119.989	154.049	0.000	7,094.986
4886 Large Aircraft Infrared Counter Measures (LAIRCM)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	44.883

FY02 and later funds for LAIRCM were ZBTed to PE 41134F.

(U) **A. Mission Description and Budget Item Justification**  
 The C-17 can perform the entire spectrum of airlift missions and is specifically designed to operate effectively and efficiently in both strategic and theater environments. Airlift provides essential flexibility when responding to contingencies on short notice anywhere in the world. It is a major element of America's national security strategy and constitutes the most responsive means of meeting U.S. mobility requirements. Specific tasks associated with the airlift mission include deployment, employment (airland and airdrop), sustaining support, retrograde, and combat redeployment. The C-17 provides a vast increase in overall airlift capability necessary to replace and exceed the capabilities lost from retiring the aging C-141 fleet from the Air Force inventory. Not only can the C-17 deliver outsize cargo to austere tactical environments, but it also reduces ground time during airland operations. The C-17 will perform the airlift mission well into this century. RDT&E efforts support producibility enhancements and performance improvements.  
 This program is budget activity 7, Operational System Development, because the program has completed Milestone III and is continuing producibility and performance improvements to support full-rate production and increase the operational capability of the C-17 through programmed modifications.

(U) **B. Program Change Summary (\$ in Millions)**

	FY 2003	FY 2004	FY 2005
(U) Previous President's Budget	153.797	184.089	200.215
(U) Current PBR/President's Budget	155.805	183.913	199.692
(U) Total Adjustments	2.008	-0.176	
(U) Congressional Program Reductions			
Congressional Rescissions		-1.576	
Congressional Increases		1.400	
Reprogrammings	2.008		
SBIR/STTR Transfer			
(U) <u>Significant Program Changes:</u>			
None			

R-1 Shopping List - Item No. 210-1 of 210-7

Exhibit R-2 (PE 0401130F)

1921

UNCLASSIFIED

**President's Budget Document Web Address:**  
<http://www.saffm.hq.af.mil/FMB/pb/2005/afpb.html>

# President's Budget RDT&E (3600) Document Sample: What Does Congress See?

UNCLASSIFIED									
Exhibit R-2a, RDT&E Project Justification								DATE February 2004	
BUDGET ACTIVITY 07 Operational System Development				PE NUMBER AND TITLE 0401130F C-17 Aircraft			PROJECT NUMBER AND TITLE 2569 C-17 Aircraft		
Cost (\$ in Millions)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate	FY 2006 Estimate	FY 2007 Estimate	FY 2008 Estimate	FY 2009 Estimate	Cost to Complete	Total
2569 C-17 Aircraft	155.805	183.913	199.692	141.141	166.101	119.989	154.049	0.000	7,094.986
Quantity of RDT&E Articles	0	0	0	0	0	0	0		
<p>(U) <b>A. Mission Description and Budget Item Justification</b>            The C-17 can perform the entire spectrum of airlift missions and is specifically designed to operate effectively and efficiently in both strategic and theater environments. Airlift provides essential flexibility when responding to contingencies on short notice anywhere in the world. It is a major element of America's national security strategy and constitutes the most responsive means of meeting U.S. mobility requirements. Specific tasks associated with the airlift mission include deployment, employment (airland and airdrop), sustaining support, retrograde, and combat redeployment. The C-17 provides a vast increase in overall airlift capability necessary to replace and exceed the capabilities lost from retiring the aging C-141 fleet from the Air Force inventory. Not only can the C-17 deliver outsize cargo to austere tactical environments, but it also reduces ground time during airland operations. The C-17 will perform the airlift mission well into this century. RDT&amp;E efforts support producibility enhancements and performance improvements.</p>									
							<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
(U) <b>B. Accomplishments/Planned Program (\$ in Millions)</b>									
(U) Performance Improvement Development & Testing							89.869	110.141	130.882
(U) Systems Engineering/Program Management							38.871	44.212	34.700
(U) Producibility Enhancement/Performance Improvement (PE/PI) Contractor Flight Test							16.715	19.560	21.110
(U) Producibility Enhancement/Performance Improvement (PE/PI) Government Flight Test							10.350	10.000	13.000
(U) Total Cost							155.805	183.913	199.692
(U) <b>C. Other Program Funding Summary (\$ in Millions)</b>									
	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>Cost to</b>	<b>Total Cost</b>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Complete</u>	
(U) APAF, MYP, BA02, PE0401130F	3140.601	2089.574	2512.479	2584.833	2250.517	197.103	54.835	0.000	12,829.942
(U) APAF, ICS, PE0401130F	536.347	906.743	945.560	779.440	777.944	729.190	823.846	0.000	5,499.070
(U) APAF, A/C Mods, BA05, PE0401130F	90.744	48.737	89.144	314.235	369.068	564.703	695.782	0.000	2,172.413
(U) MilCon, Facilities, PE0401130F	73.133	70.047	64.800	92.400	148.800	7.400	1.400	0.000	457.980
(U) <b>D. Acquisition Strategy</b> The C-17 Acquisition Strategy is based on five separate contracts to support the entire scope of the C-17 weapon system. These five contracts are: 1) a multi-year procurement (MYP) aircraft contract (to economically purchase the full complement of production aircraft) - (APAF); 2) a Producibility Enhancement and Performance Improvement (PE/PI) contract (to develop cost reduction changes, capability enhancements, and design fixes to service-revealed problems) - (RDT&E, APAF); 3) a Flexible Sustainment (field support) contract (to support the current and future fielded aircraft) - (APAF); 4) a MYP engine contract (for Government Furnished Equipment									

Project 2569

R-1 Shopping List - Item No. 210-2 of 210-7

Exhibit R-2a (PE 0401130F)

1922

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**President's Budget Document Web Address:**  
<http://www.saffm.hq.af.mil/FMB/pb/2005/afpb.html>

# President's Budget RDT&E (3600) Document Sample: What Does Congress See?

UNCLASSIFIED

Exhibit R-2a, RDT&E Project Justification		DATE February 2004
BUDGET ACTIVITY 07 Operational System Development	PE NUMBER AND TITLE 0401130F C-17 Aircraft	PROJECT NUMBER AND TITLE 2569 C-17 Aircraft
<p>[GFE] engines) - (APAF); and 5) a set of simulator and training contracts: two aircrew training systems (ATS) contracts (one for aircrew simulators and one for training &amp; concurrency upgrades), and a maintenance training device contract (for devices &amp; concurrency upgrades) - (APAF).</p> <p>The congressionally mandated Mobility Requirements Study (MRS), initially forwarded to Congress on 23 Jan 92 and updated in 1995 and again in 2001, validated the need for the C-17 aircraft. Two C-17 Defense Acquisition Board (DAB) decisions, contained in the 3 Nov 95 and 1 Feb 96 USD(A&amp;T) Acquisition Decision Memoranda (ADM), directed the Air Force to proceed with a 120-aircraft production program and pursue a multi-year procurement for the last 80 aircraft. The FY96 Supplemental Appropriations Act and FY97 Defense Appropriations Act approved a 7-year MYP program. The Air Force is proceeding with an 80-aircraft MYP program (along with engines to support them) to complete a 120-aircraft total purchase at the maximum affordable rate (FY97-03 Quantity: 8-9-13-15-12-15-15), beginning with the economic order quantity (EOQ) funding in FY96. Sixty additional C-17s have been programmed at the end of the 80-aircraft MYP to replace Air Mobility Command's (AMC's) C-141 aircraft and meet requirements not included in the 120 aircraft program. The adjusted program is (FY03-07 Quantity): 15-11-14-15-13.</p> <p>During FY05 the Air Force will continue evaluation of commercial C-17 Civil Reserve Air Fleet (CRAF) applications and feasibility. The Air Force will also continue evaluating the design changes required for an FAA-certifiable version of the C-17.</p>		
Project 2569	R-1 Shopping List - Item No. 210-3 of 210-7	Exhibit R-2a (PE 0401130F)

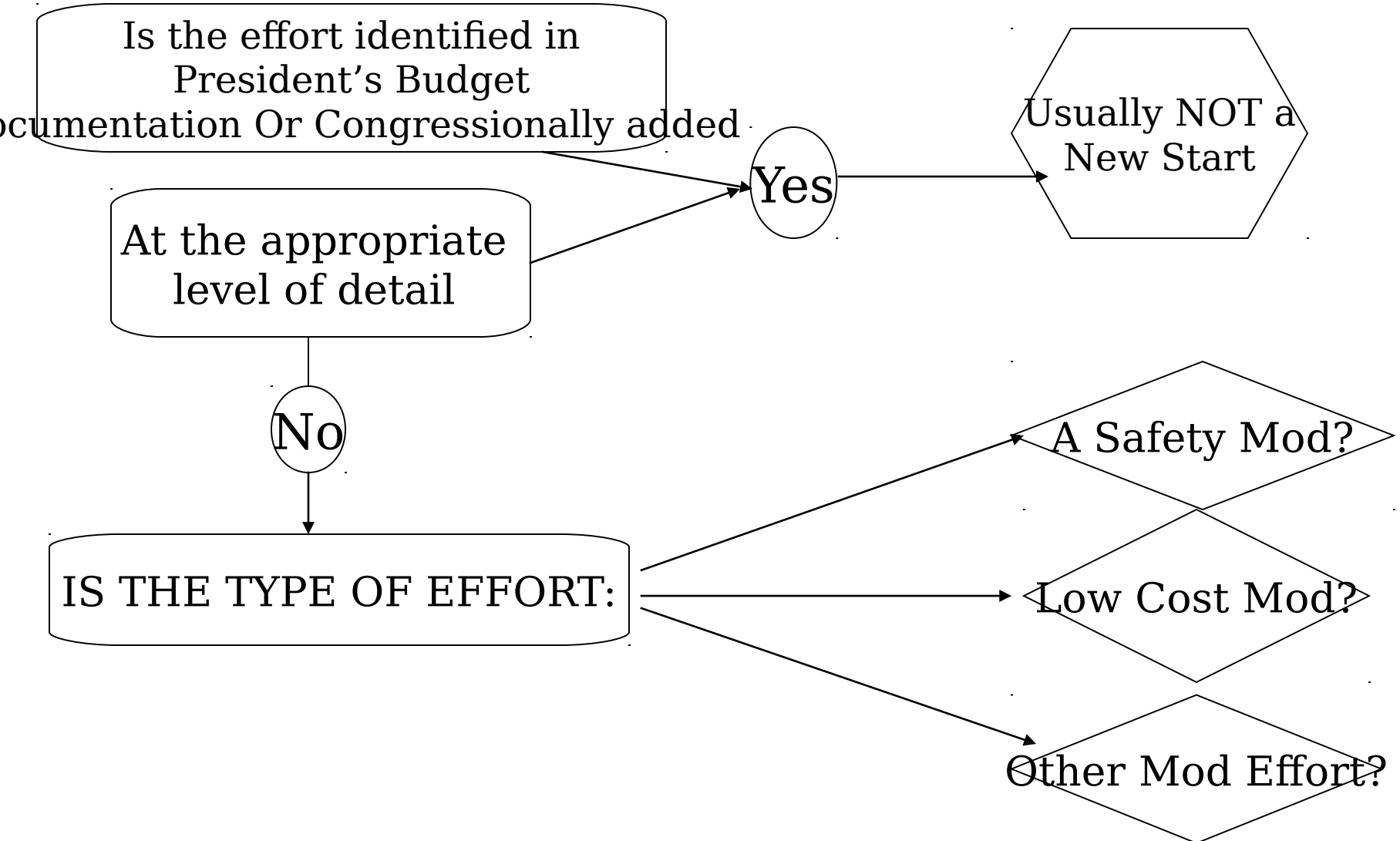
1923

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**President's Budget Document Web Address:**  
**<http://www.saffm.hq.af.mil/FMB/pb/2005/afpb.html>**

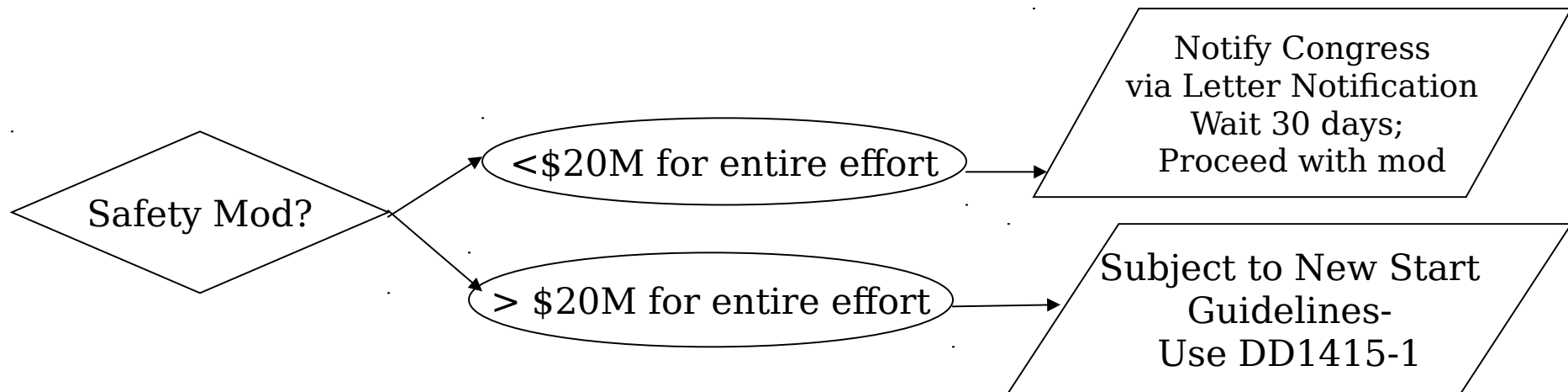
# **Sample New Start Determination:**

## For 3010 (BP 11) Investment Appropriation



# New Start Notification Requirements:

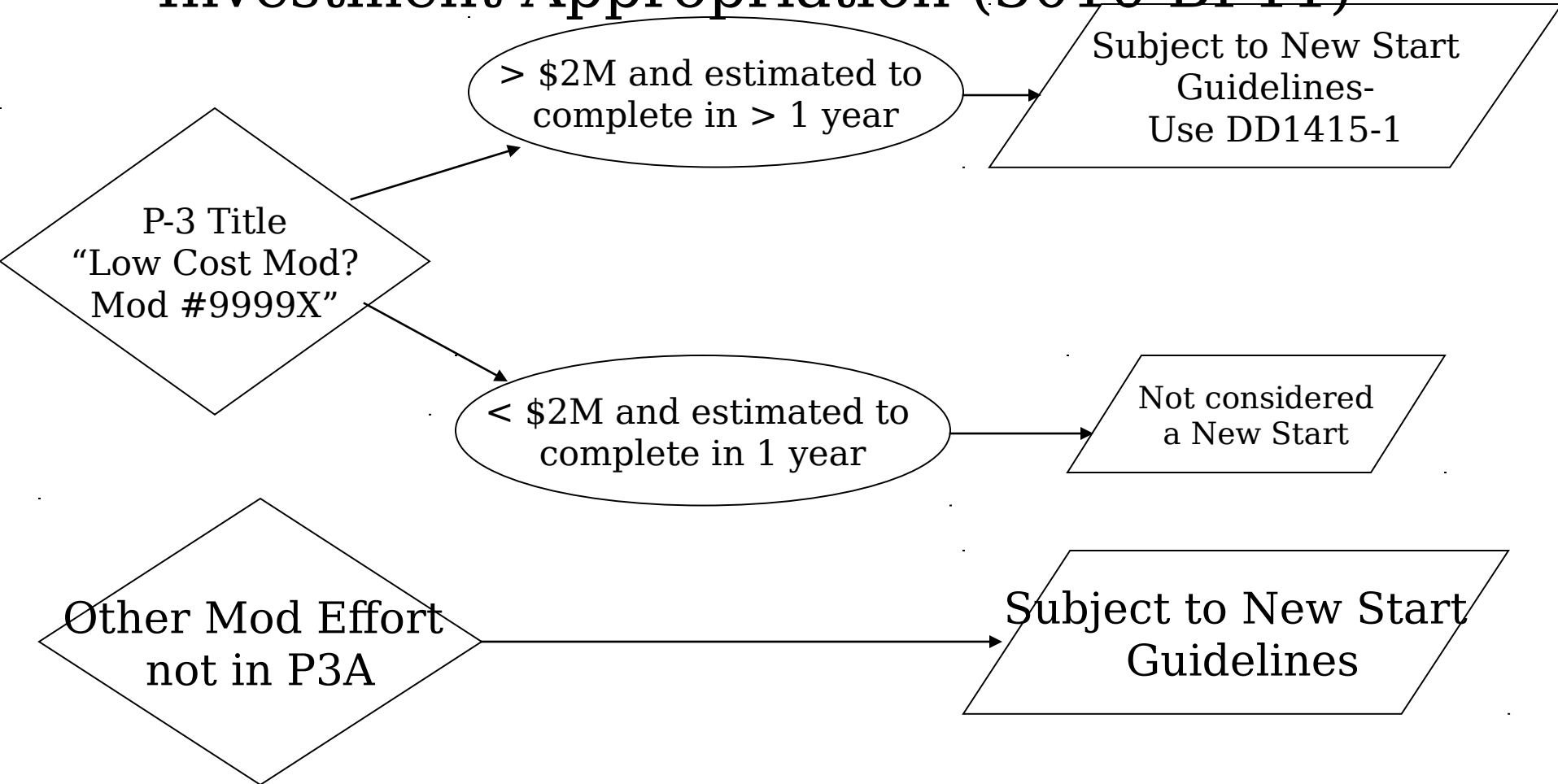
Investment Appropriation (3010 BP11)



# New Start Notification

## Requirements:

### Investment Appropriation (3010 BP11)



**All program requests worked through PEM/PEO to SAF/FM and SAF/AQ**

# President's Budget Procurement Mod (BP11)

## Document:

### What Does Congress See? Sample Low Cost Mod P3A

02/13/2004  
FY 2005 PB  
Modification Title and No: LOW COST MODS (ENGINE) MN-F22000

UNCLASSIFIED  
MODIFICATION OF AIRCRAFT

Exhibit P3A Congressional  
Appropriation: Aircraft Procurement, Air Force  
CLC: F-22 Class P

Models of Aircraft Affected:

Center: ASC - Wright Patterson AFB, OH

PE 0207219F Team Unassigned

#### Description/Justification

These are low cost modifications necessary to improve reliability, maintainability, safety and mission performance and to reduce logistics costs. Also, provides funding for modifications driven by EMD concurrency.

Aircraft Breakdown: Active , Reserve , ANG , Total 0

#### Development Status

N/A

#### Projected Financial Plan

	PRIOR		FY-03		FY-04		FY-05		FY-06		FY-07	
	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
RD&E (3600)												
PROCUREMENT (3010)												
INSTALL KITS												
KITS NONRECUR							1.000		1.000			
EQUIPMENT												
EQUIP NONREC												
CHANGE ORDERS												
DATA												
SIM/TRAINER												
SUPPORT-EQUIP												
TOTAL COST (BP-1100)							1.000		1.000			
(Totals may not add due to rounding)												

# New Start Notification Process

## For FY07 Funds:

DoD 7000.14 Criteria;  
P-1/R-1 Line Item  
Movement:  
ABOVE the LESSER of  
20% P/R line item :  
3010: \$20M  
3600: \$10M  
3400: \$15M

If dollars  
available

Letter asking  
for approval

Written response  
required from the  
4 committees

If this requires  
reprogramming/  
realignment?

Prior Approval  
Reprogramming  
1415 to Congress

Written response  
required from the  
4 committees

DoD 7000.14 Criteria;  
P-1/R-1 Line Item  
Movement:  
BELOW the LESSER of  
20% P/R line item:  
3010: \$20M  
3600: \$10M  
3400: \$15M

Letter  
notification to  
Congress

Go Ahead after 30 days  
unless objection is  
received from a  
committee

DD 1415-1 Congressional Approval Required When:  
Procurement  $\geq$  \$20M or RDT&E  $\geq$  \$10M

DD-1415-3 Letter of Congressional Notification Required When:  
Procurement  $<$  \$20M or RDT&E  $<$  \$10M

# Program Office New Start Validation Process

- Program Office validates congressional appropriation or new start approval before obligation of funds
  - Written validation for each contract action
  - New Start Validation Form signed by Acquisition Group, Squadron, or Flight Commander/Director as System Program Manager (SPM) and associated Chief Financial Officer (CFO)
  - Validation Form filed in official contract file
- “Acting” can sign New Start Validation form
- “Maybes” and “no consensus” elevated to SAF/AQ or AF/IL and reviewed with SAF/FM
  - Documented yes/no decision - GO/SES level

# New Start Validation Form

In accordance with AFI 63-101, I have validated the following prior to approving this contracting action

(one of the following **must** be answered yes):

	YES	NO
<b>1. Program was budgeted and appropriated.</b> Effort was budgeted in the President's Budget Submission and is consistent with program direction provided by Defense Appropriations Conference language and/or marks. Fiscal year of President's Budget Submission must match fiscal year of funds being used. This effort is not a new start.		
<b>2. Program was a Congressional add.</b> Effort was not requested in the President's Budget Submission, but funds were appropriated by the Defense Appropriations Conference and effort is consistent with program direction provided by Defense Appropriations Conference language and/or marks. Fiscal year of marks must match fiscal year of funds being used. This effort is not a new start requiring Congressional approval. SAF/AQX or AF/ILS Program Authorization attached.		
<b>3. Program is an out-of-cycle New Start.</b> Effort is an out-of-cycle new start for which Congressional notifications/approval has been accomplished as reflected on the Secretary of the Air Force funds release document. SAF/AQX or AF/ILS Program Authorization attached.		
<b>4. HAF has advised that new start notifications are not required</b> (documentation attached).		

\_\_\_\_\_  
System Program Director

\_\_\_\_\_  
Financial Management Chief

Department of Defense Appropriations Act, 2000, Public Law 106-79 Sec. 8096. None of the funds provided by this Act may be used to compensate a DOD employee who initiates a new start program without prior notification to OSD and the congressional defense committees, as required by DOD financial management regulations.

# CCar New Start Validation Form

Comprehensive Cost and Requirement System: YC-C-17 SPO - [New Start Validation# YC-37237]

File Reports Tools Module My CCar Window Help

COMMENTS  
COORDINATION  
ASSOCIATION  
ATTACHMENTS

Copy Form DOCUMENT COMMENTS POCs

Release  
Print  
Save  
Close

**DRAFT** **NEW START VALIDATION FORM** TRACKING NO. YC-37237

SUMMARY INFORMATION

PROGRAM / TITLE.	PEC.	DATE.
CONTRACT.	FY.	APPN.
CONTRACTOR.	AMOUNT.	\$ .00

COMMENTS.

VALIDATION COVERS EFFORT(S) LISTED BELOW AND FUNDING DOCUMENTS DERIVED FROM EFFORT(S)

AV/AFC-006: Terrain Awareness Warning System(TAWS)

VALIDATION STATEMENT

In accordance with AFI 63-101, I have validated the following prior to approving this contracting action:	YES	NO
<b>1. Program was/is budgeted and appropriated.</b> Effort was/is budgeted in the President's Budget Submission and is consistent with program direction provided by Defense Appropriations Conference language and/or marks. Fiscal year of President's Submission must match fiscal year of funds being used. This effort is NOT a new start.	<input checked="" type="radio"/>	<input type="radio"/>
<b>2. Program was a Congressional add.</b> Effort was not requested in the President's Budget Submission, but funds were appropriated by the Defense Appropriations Conference and effort is consistent with program direction provided by Defense Appropriations Conference language and/or marks. Fiscal year of marks must match fiscal year of funds being used. This effort is not a new start requiring Congressional approval. SAF/AQX or AF/ILS Program Authorization attached.	<input type="radio"/>	<input checked="" type="radio"/>
<b>3. Program is an out-of-cycle New Start.</b> Effort is an out-of-cycle new start for which Congressional notifications/approval has been accomplished as reflected on the Secretary of the Air Force funds release document. SAF/AQX or AF/ILS Program Authorization attached.	<input type="radio"/>	<input checked="" type="radio"/>
<b>4. SAF/HAF has advised that new start notifications are not required.</b> Documentation attached.	<input type="radio"/>	<input checked="" type="radio"/>

VALIDATION SIGNATURES

SYSTEM PROGRAM DIRECTOR.	SIGNATURE.	DATE.
		PHONE.
PROGRAM CONTROL CHIEF.	SIGNATURE.	DATE.
		PHONE.

Department of Defense Appropriations Act, 2000, Public Law 106-79 Sec. 8096. None of the funds in this Act may be used to compensate a DoD employee who initiates a new start program without notification to OSD and the congressional defense committees, as required by DoD financial management regulation.

AFI 63-101 Attachment 2 Computer Generated by CCar

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# New Start Guidance

- Guidance contained in: AFI 63-101, Para 2.3, 29 Jul

05

[http://www.e-publishing.af.mil/pubs/publist.asp?](http://www.e-publishing.af.mil/pubs/publist.asp?puborg=AF&series=63)

[puborg=AF&series=63](http://www.e-publishing.af.mil/pubs/publist.asp?puborg=AF&series=63)

AFI 63-114, Para 1.9, 29 Jul 05

AFI 65-601 Vol 1 Chapter 2

- Exclusions from New Start requirements
  - All 6.1, 6.2, 6.3 unless new project not in descriptive summary or 6.3 falling under 6.4 program activity code, SBIR Phase I/II efforts, incremental funding actions, contract changes for award fee/price adjustments, PMA
- Efforts funded by other Services
  - Initiating Service is responsible for validating New Start
  - Request copy of Service “New Start Validation” with funding document or
  - Request document description state “This is not a New Start”

# New Start Summary

- Be aware of notification requirements, policies, and procedures
- Legal and statutory basis
- Congressional concern is not diminishing
  - Risk of adverse reaction is high
- Most determinations can be made at Centers
- If unsure whether new start go through PEM/PEO to SAF/FMB and SAF/AQX
- Need to elevate early for timely decision
  - Letter Notifications - **minimum two months**
  - Prior Approval Notifications - **four to six months**